

54 The President's News Conference of

February 7, 1963

THE PRESIDENT. Good afternoon. I have one announcement to make.

[1.] I am pleased to announce that I intend to reappoint Mr. William McChesney Martin, Jr., as Chairman of the Board of Governors of the Federal Reserve System, and Mr. C. Canby Balderston as Vice Chairman for another term when their present terms expire in a few weeks.

Mr. Martin has been a member and Chairman of the Board since 1951. Previously he had served the Government with distinction as Chairman and President of the Export-Import Bank, Assistant Secretary of the Treasury, and United States Director of the International Bank for Reconstruction and Development. As Chairman of the Board of Governors, Mr. Martin has cooperated effectively in the economic policies of this administration and I look forward to a constructive working relationship in the years ahead.

As you know, the Federal Reserve System is a fully independent agency of the United States Government, but it is essential that there exist a relationship of mutual confidence and cooperation between the Federal Reserve, the economic agencies of the administration, including especially the Secretary of the Treasury, and the President.

Mr. Martin has my full confidence, and I look forward to continuing to work with him and his colleagues on the Board in the interests of a strong United States economy.

[2.] Q. Mr. President, in your view, do you believe that the Cuban threat, militarily, has increased, decreased, or stayed on *status quo* since the removal of the offensive weapons?

THE PRESIDENT. Well, there has been, since the removal of the offensive weapons, a reduction of 4500 people, we estimate. So to that degree the threat has diminished. And, of course, it is substantially different from the kind of threat we faced in October when

there were offensive missiles and planes present. There still is a body of Soviet military equipment and technicians which I think is of serious concern to this Government and the hemisphere. But there has not been an addition since the removal of the weapons, there has not been an addition and there has been the subtraction of that number of personnel.

Q. Mr. President, since your last news conference, General de Gaulle has blocked the admission of Britain to the Common Market. De Gaulle has also indicated that he wants an independent nuclear deterrent. Some people feel that these are fatal blows to Western allied unity. What do you think?

THE PRESIDENT. Yes, he has, of course, been committed to an independent nuclear deterrent for a long time. We are concerned at the failure of the British to secure admission to the Common Market. We have supported the unification of Europe, economically and politically. There have been some references, I know, in some parts of the European press, that the United States does not seek to deal equally with Europe as an equal partner.

I think anyone who would bother to fairly analyze American policy in the last 15 years would come to a reverse conclusion. We put over \$50 billion worth of assistance in rebuilding Europe. We supported strongly the Common Market, Euratom, and the other efforts to provide for a more unified Europe, which provides for a stronger Europe, which permits Europe to speak with a stronger voice, to accept greater responsibilities and greater burdens, as well as to take advantage of greater opportunities.

So we believe in a steadily increasing and growing Europe, a powerful Europe. We felt Britain would be an effective member of that Europe. And it was our hope, and still is our hope, that that powerful Eu-

rope, joined with the power of the North American Continent, would provide a source of strength in this decade which would permit the balance of power to be maintained with us, and which would inevitably provide for an attraction to the underdeveloped world.

I think it would be a disaster if we should divide. The forces in the world hostile to us are powerful. We went through a very difficult and dangerous experience this fall in Cuba. I have seen no real evidence that the policy of the Communist world toward us is basically changed. They still do not wish us well. We are not, as I said at the last press conference, in the harbor. We are still in very stormy seas and I really think it would be a mistake for us to be divided at this time when unity is essential.

Now, the United States is prepared to make every effort to provide Western Europe with the strong voice to join with Western Europe, to cooperate with it to work out mechanisms that permit Europe to speak with the power and the authority that Europe is entitled to.

What we would regard as a most serious blow would be, however, a division between the Atlantic, the division between the United States and Europe, the inability of Europe and the United States to coordinate their policies to deal with this great challenge. There is the danger to Europe and the danger to us. And that must not take place. If it does, it will have the most serious repercussions for the security of us and for Western Europe.

[4.] Q. Mr. President, at a time when the Secretary of State and his department have been coming in for some criticism, Senator Jackson's subcommittee on national security policy has said the Secretary should play a larger role in national security affairs. What do you think the Secretary of State's role should be? And do you think your view and his are the same on this matter?

THE PRESIDENT. Yes, my view and his are

the same. The Secretary of State is the principal adviser to the President in the field of foreign policy. He is also the chief administrative officer of the Department of State which includes many responsibilities but whose central responsibility, of course, is to carry out the day-to-day business, as well as to set down the large — and advise the President on the development of larger policies affecting our security.

Mr. Rusk and I are in very close communion on this matter. We are in agreement and I have the highest confidence in him, and I'm sure that—but I do think that Senator Jackson's suggestions deserve very careful study. One of our great problems is we deal with the whole world, and the Department of State is involved, the Treasury may be involved, Agriculture may be involved, Defense may be involved, and the intelligence community involved. The coordination of that in an effective way which finally comes to the White House is one of the complicated tasks of administering our Government in these days.

[5.] Q. Mr. President, what, if anything, do you propose to do about the continued presence in Cuba of the Soviet military personnel? Are you just going to let them stay there?

THE PRESIDENT. Well, as you know, we've been carrying out a good many policies in the last 4 months, since October. We were able to effect the withdrawal of the missiles. We were able to effect the withdrawal of the planes. There has been a reduction of 40 per cent in the number of personnel. That was done by the United States being willing to move through a very dangerous period and the loss of an American soldier.

The continued presence of Soviet military personnel is of concern to us. I think the action the United States has taken over the last 4 months indicates that we do not view them at all lightly.

Q. Mr. President, Defense Secretary McNamara apparently failed to convince some Republicans that all offensive weapons are

withdrawn from Cuba. What more, if anything, do you believe the administration can do to convince some of the critics?

THE PRESIDENT. Well, I don't know what more we can do. Mr. McNamara went to great length. As he pointed out, he exposed a good deal of information, and also he went further than under ordinary conditions we would have liked to have gone in telling our story.

Now, he has asked, and I endorse, and Mr. McCone has asked, that if anybody has any information in regard to the presence of offensive weapons systems or, indeed, the presence of any military force or weapons on the island of Cuba, I think they should make it available to General Carroll, who's in charge of intelligence for the Defense Department—if they would turn the information over.

Now, we get hundreds of reports every month, and we try to check them out. A good many of them are just rumors or reports, and even some of the Members of Congress who've come forward either refuse to say where they've heard the information or provide us with reports which do not have substance to them.

Now I cannot carry out the policy of the United States Government on the question if obviously there were offensive missiles found in Cuba contrary to Mr. Khrushchev's pledge. It would raise the greatest risks, much greater, in my opinion than we faced in October, and we faced great risks in October. But to take the United States into that path, to persuade our allies to come with us, to hazard our allies as well as the security of the free world, as well as the peace of the free world, we have to move with hard intelligence. We have to know what we're talking about. We cannot base the issue of war and peace on a rumor or report, which is not substantiated, or which some member of Congress refuses to tell us where he heard it.

This issue involves very definitely war and peace. And when you talk about the presence of offensive weapons there, if they are

there, I think the Soviet Union is aware and Cuba is aware that we would be back where we were in October but in a far more concentrated way.

Now, if you're talking about that, and talking about the kinds of actions which would come from that, it seems to me we ought to know what we are talking about. Now it may be that there are hidden away some missiles. Nobody can prove, in the finite sense, that they're not there, or they might be brought in. But they're going to have to be erected, and we continue complete surveillance. They have to be moved. They have to be put onto pads. They have to be prepared to fire. And quite obviously, if the Soviet Union did that, it would indicate that they were prepared to take the chance of another great encounter between us, with all the dangers.

Now, they had these missiles on the pads and they withdrew them, so the United States is not powerless in the area of Cuba, but I do think we should keep our heads and attempt to use the best information we have. We've got, I think, as Secretary McNamara demonstrated—we're taking the greatest pains to try to be accurate, but we have to deal with facts as we know them, and not merely rumors and speculation.

Now, as I say, these things may all come about and we may find ourselves again with the Soviet Union toe to toe, but we ought to know what we have in our hands before we bring the United States, and ask our allies to come with us, to the brink again.

Q. Mr. President, what is the administration's position now about the on-site inspections that you were insisting upon in October? Is that now a dead letter?

THE PRESIDENT. Yes, that's right. Cuba did not agree to on-site inspection unless there was inspection of the United States, which we did not agree to, and part of that was the question of the no-invasion pledge, and the rest. So that there has been no on-site inspection and I don't expect to get any. And I don't expect that Cuba will agree to the kind of on-site inspection that would give

us more assurances than we have at the present time through photography.

Q. Mr. President, because we depend so much on photo reconnaissance, what would be our position if the President of Cuba should forbid that and perhaps take a protest to the United Nations about what you call our daily scrutiny over their territory?

THE PRESIDENT. I would think we would deal with that situation when it comes up. This is a substitute, in a sense, for the kind of on-site inspection which we hope to get and which was proposed by the Secretary General of the United Nations at the time of the October crisis. The United States cannot, given the history of last fall, where deception was used against us, we could not be expected to merely trust to words in regard to a potential buildup. So we may have to face that situation, but if we do, we'll face it.

[6.] Q. Mr. President, the New York newspaper—and Cleveland—strikes do not fall at the present time under the Taft-Hartley law, and the impact of the New York strike can be seen by the fact that New York's economy is off 8 percent in department store sales. Do you feel that there should be some sort of legislation to bring strikes of this nature which affect the economy within the Taft-Hartley law, or do you see a larger role for the Government in these types of strikes?

THE PRESIDENT. Well, it's hard to have a strike under the Taft-Hartley law or under any language. You mean, really, that the Government would be involving itself in hundreds of strikes, because a good many strikes which do not affect the national health and safety can affect local prosperity, so that you would find the Government heavily involved in dozens of strikes.

I must say that I think that I believe strongly in free, collective bargaining, but that free, collective bargaining must be responsible, and it must have some concern. It seems to me, for the welfare of all who may be directly and indirectly involved. I am not sure that that sense of responsibility has been particularly vigorously displayed in the

New York case, this trial by force. It may end up with two or three papers closing down, and the strike going on through the winter.

It would seem to me that reasonable men—there should be some understanding of the issues involved, and I don't think in my opinion that the bargaining there has been particularly responsible.

[7.] Q. Mr. President, Mr. Khrushchev apparently gave you some reason to believe last October that the Soviet military personnel were going to be withdrawn from Cuba. That hasn't happened. And my question is: Is there any official dialogue going on now to find out why the Russians are still there?

THE PRESIDENT. Well, as I say, there has been this reduction which we already described. In addition, as Mr. McNamara described yesterday, a picture of some evidence of some equipment being moved out. This is a continuing matter which is being discussed, obviously, with the Soviet Government, and we would expect that we would have clearer information as to the prospects as these days go on. But it has not been completed, and quite obviously in that sense is unfinished business.

Q. Mr. President, what chances do you think or do you believe there are of eliminating communism in Cuba within your term?

THE PRESIDENT. I couldn't make any prediction about the elimination. I am quite obviously hopeful that it can be eliminated, but we have to wait and see what happens. There are a lot of unpleasant situations in the world today. China is one. It's unfortunate that communism was permitted to come into Cuba. It has been a problem in the last 5 years. We don't know what's going to happen internally. There's no obviously easy solution as to how the Communist movement will be removed. One way, of course, would be by the Cubans themselves, though that's very difficult, given the police setup. The other way would be by external action. But that's war and we

would you think it would involve some kind of a formula in which they would actually participate in the control of nuclear weapons, and the kicker is, could this formula be sold to the United States Congress?

THE PRESIDENT. The Nassau agreement, as you know, did attempt, by its emphasis on the contributions which we would commonly make to the multinational force, and our support of the multilateral force, was an effort to deal with this problem of providing the Europeans who lacked a nuclear capacity a greater voice in the management of the weapons, and in the political direction of the weapons, and in its control.

We thought that it was unwise to provide for—encourage the development of national deterrents. The Germans, in their '54 statement, took themselves out of the national deterrent and indicated that they would not develop it. I must say that it seems to me we should attempt to build on what we started at Nassau, in the multilateral force, to give those who do not have a deterrent, who do not wish to develop it for economic or political reasons, a larger voice and control in nuclear weapons.

To be successful and do something more than merely provide a facade, a different facade, of United States control, will require a good deal of negotiation and imagination and effort by both of us. When we have come to a conclusion, or during a conclusion, we will continue to consult with the Congress which has special responsibilities. We are conscious of our obligations under the McMahon act and, therefore, it will be very sensitive and difficult but I think a possible operation for us to carry out in the coming months. The purpose of it is the one you described, to prevent the Alliance from dissolving on this very difficult and sensitive question of control of nuclear weapons, which is tied up with sovereignty.

The Nassau agreement was an effort to meet that. Now, it is important to realize that a good many Europeans hold this view of the support of the multilateral force, and also there's been great evidence of strong

support for NATO, a support which I'm hopeful will be indicated not only by words, but by actions in the coming months.

[Q.] Q. Mr. President, do you consider the settlements reached in the dock workers' strike, which is generally pegged at 5 per cent, within your wage-price guidelines, and would you consider a comparable settlement in the upcoming steel negotiations?

THE PRESIDENT. Well, I wouldn't attempt to get into steel right now, thank you. [Laughter]

[Q.] Q. Mr. President, to go back to Cuba, you have said that the presence of Russian forces on the island are a matter of concern. I would like to ask this question, sir: Do you think that Cuba is a serious military threat to the United States?

THE PRESIDENT. I think we ought to keep a sense of proportion about the size of the force we're talking about. We are talking about four groups, 1100 to 1200 men each. Those are the organized military units. That's about 6,000 men. Obviously, those forces cannot be used to invade another country. They may be used to maintain some sort of control within Cuba, but obviously are not a force that can be used externally. And in addition, Cuba cannot possibly—it lacks any amphibious equipment, and quite obviously our power in that area is overwhelming.

I think the big dangers to Latin America, if I may say so, are the very difficult, and in some cases desperate, conditions in the countries themselves, unrelated to Cuba. Illiteracy, or bad housing, or maldistribution of wealth, or political or social instability—these are all problems we find, a diminishing exchange, balance of payments difficulty, drop in the price of their raw materials upon which their income depends. These are all problems that I think are staggering, to which we ought to be devoting our attention.

Now, I think Castro has been discredited in the past months substantially, as every one of our surveys in USIA show. One of the reasons has been the missile business and

and the presence of Russian forces which, in a sense, seem to be police units. So that what I think we should concern ourselves with, quite obviously, is Cuba, but Cuba is a center of propaganda and possibly subversion, the training of agents—these are the things which we must watch about Cuba. But in the larger sense, it is the desperate and in some cases internal problems in Latin America, themselves unrelated to Fidel Castro whose image is greatly tarnished over a year ago, which caused me the concern and why I regard Latin America as the most critical area in the world today and why I would hope that Western Europe and the United States would not be so preoccupied with our disputes, which historically may not seem justified, when we have a very, very critical problem which should concern us both in Latin America.

Q. Now that I have your answer, I think the answer is that you do not think that it is a great military threat, but rather a threat in these areas that you speak of?

THE PRESIDENT. The military threat would come if there was a reintroduction of the offensive weapons. But the kind of forces we are talking about, which are 6,000, do not represent a military threat. Cuba is a threat for the reasons that I have given, but it is a threat—I don't want to give the whole answer again—but it is a threat for the reason I have tried to explain to you.

Q. Mr. President, according to the recent remarks of Secretary Rusk, he said Mr. Khrushchev indicated that Soviet troops would be removed from Cuba in due course. Do you feel you have a commitment from Mr. Khrushchev in this regard, and what do you take "due course" to mean?

THE PRESIDENT. That's what we are going to try to find out. That was the statement that was made. As I say, that's why I think in the coming days and weeks we may have a clearer idea as to whether that means this winter or not. And that's a matter of great interest to us.

Q. Do you feel you have a commitment, sir, from Mr. Khrushchev?

THE PRESIDENT. I have read a statement of Mr. Khrushchev's that these forces would be removed in the course of due time. The time was not stated and, therefore, we're trying to get a more satisfactory definition.

(11.) Q. Mr. President, because Britain did not get into the Common Market, the zero tariff authority in the Trade Expansion Act is virtually meaningless now. At the time you proposed it, you said this was vital authority, to get our exports into Europe. Do you propose or do you plan to ask Congress to restore the authority, or if not, do you support the Douglas, Javits, and Reuss bills that are in to do that now?

THE PRESIDENT. No, we hadn't planned to ask the Congress, because we do have the power, under the trade expansion bill, to reduce all other tariffs by 50 percent, which is a substantial authority. We lack the zero authority.

On the other hand, it's going to take some months before these negotiations move ahead. It's possible there may be some reconsideration of the British application. I would be responsive and in favor of legislation of the kind that you described. It is not essential, but it would be valuable, and if the Congress shows any disposition to favor it, I would support it.

(12.) Q. Mr. President, ever since Mr. Sylvester talked about what is called "managing the news," there's been a lot of confusion on the subject.¹ Do you feel the administration has a responsibility to engage in a sort of information program, educating people in the fact that under certain circumstances this practice has some ethical validity, and if this is not done, how will the public know when it's getting factual information and when not?

THE PRESIDENT. I think it gets a good deal of factual information. The problem of the Federal Government, the National Government, what information it puts out, and I

¹ Arthur Sylvester, Assistant Secretary of Defense (Public Affairs). See 1962 volume, this series, Items 410-481, 515-571, 591, 599.

think we're trying to give the information, on the matter of Cuba we've been trying to be accurate. And there's also, it seems to me, the information of the press to make a judgment as to whether information that is coming out is accurate, not only by the National Government, but by others, and to subject that to careful scrutiny as they do our information.

Now, I remember a story the other day in one of our prominent papers which had a report of a Congressman about the presence of missiles—no supporting evidence, no willingness to give us the source of his information. We are not, after all, a foreign power.

And on page 10 was the statement of the Secretary of Defense, giving very clear details. That was page 10 and the other was page 1. So it's a responsibility of ours and, it seems to me, also the press. I would think a good many Americans, after the last 3 weeks of headlines, have the impression that there are offensive weapons in Cuba. Now it is our judgment, based on the best intelligence that we can get, that there are not offensive weapons in Cuba. I think it is important that the American people have an understanding and not compel, because of these various rumors and speculations, compel the Secretary of Defense to go on television for 2 hours to try to get the truth to the American people and, in the course of it, have to give a good deal of information which we are rather reluctant to give about our intelligence gathering facilities.

Q. Mr. President, do you feel that it is possible that the defensive weapons now going into Cuba, or there now, could be used for offensive purposes? For example, could not a defensive missile be used, launched from a PT boat or some other vessel? And if you do find this to be true, do you feel that any action would be required?

THE PRESIDENT. The range of the missiles on the Komar, the 12 Komars, is, I believe,

18 miles. So we would not regard that as a weapon which would be used in an attack on the United States. If there is going to be that kind of an attack on the United States, then you're going to have an attack from places other than Cuba, and you're going to have them with much larger weapons than a Komar torpedo boat can carry. Then you are talking about the willingness of the Soviet Union to begin a major war. Now if the Soviet Union is prepared to begin a major war, which will result in hundreds of millions of casualties by the time it is finished, then, of course, we all face a situation which is extremely grave.

I do not believe that that's what the Soviet Union wants, because I think they have other interests. I think they wish to seize power, but I don't think they wish to do so by a war. I therefore doubt if a Komar torpedo boat is going to attack the United States very soon. Now, it's possible—it's possible—everything is possible. And after our experience last fall, we operate on the assumption while hoping for the best, we expect the worst. It's very possible that the worst will come and we should prepare for it. That's why we continue our daily surveillance. It is possible, conceivable.

We cannot prove that there is not a missile in a cave or that the Soviet Union isn't going to ship next week. We prepare for that. But we will find them when they do and when they do, the Soviet Union and Cuba and the United States must all be aware that this will produce the greatest crisis which the world has faced in its history.

So I think that the Soviet Union will proceed with caution and care, and I think we should.

Reporter: Mr. President, thank you.

NOTE: President Kennedy's forty-eighth news conference was held in the State Department Auditorium at 4 o'clock on Thursday afternoon, February 7, 1963.